

STATEMENT OF REP. JOHN CONYERS, JR.
Courts, the Internet, and Intellectual Property Subcommittee
Hearing on “An Amendment in the Nature of a Substitute to
H.R. 2975, the ‘Patent Act of 2005’”
Thursday, September 15, 2005

I am happy to see that the private negotiations on patent reform have led to progress. While I also am pleased that some of the troubling provisions in the introduced bill have been discarded, I am concerned that new issues have been raised that would harm small patent owners and set a dangerous precedent for plaintiffs’ rights.

Let me say that I was an original cosponsor of the underlying legislation because I believe we need to make major changes to the patent system. It is important for our economy to harmonize our patent system with those of other countries. To this end, we should establish a system that awards the patent to the first-inventor-to-file. We also should make it easier for third parties to challenge patents after they have issued as long as the process has some finality to it.

At the same time, however, I did have concerns with several of the provisions in the bill. One specific provision made it more difficult for legitimate patent owners to enforce their rights. I believe that proposal would have undermined the purpose of our intellectual property laws, which is to encourage investment into innovation.

While this new draft does not include that proposal, it does contain new language that limits where patent owners may bring lawsuits against those who steal their inventions. Specifically, the bill says owners may bring lawsuits only in the defendant’s principal or regular place of business. This is a significant departure from existing law, which permits suits anywhere the infringing product is sold.

This idea would harm the rights of small businesses and independent patent owners, who may not have the resources to track down the defendant’s place of business and to initiate litigation far from home.

It also sets a dangerous precedent. I am concerned that other industries may come forward to limit where lawsuits against them could be brought. This would be a blow to plaintiffs' rights in the areas of gender discrimination, labor rights, and civil rights, just to name a few.